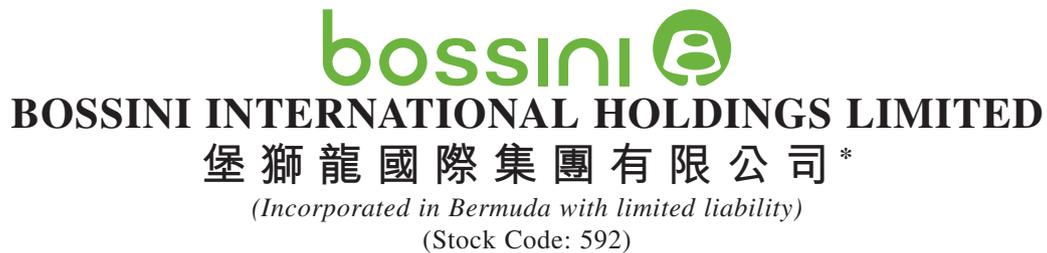

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Bossini International Holdings Limited** (the “Company”), you should at once hand this circular to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



**MAJOR TRANSACTION
DISPOSAL OF PROPERTY**

A letter from the Board is set out on pages 3 to 7 of this circular.

* *For identification purposes only*

13 April 2016

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	3
Appendix I – Financial Information of the Group	8
Appendix II – Property Valuation Report	10
Appendix III – General Information	15

DEFINITIONS

In this circular, the following expressions shall have the following meanings unless the context indicates otherwise:

“associate(s)”	has the meaning as ascribed to it under the Listing Rules;
“Board”	the board of directors of the Company;
“Company”	Bossini International Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange;
“connected person”	has the meaning as ascribed to it under the Listing Rules;
“Consideration”	the amount of HK\$350,000,000;
“Director(s)”	the director(s) of the Company;
“Disposal”	the disposal of the Property by the Vendor;
“Formal Agreement”	the formal sale and purchase agreement entered into between the Vendor and the Purchaser on 14 March 2016 in relation to the sale and purchase of the Property, the major terms therein are in line with and have no material difference from the terms in the Provisional SP Agreement;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Latest Practicable Date”	8 April 2016, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Property”	the ground floor together with the basement and annex of Block AO of Central Commercial Centre, No. 60 Avenida Henrique, Macau* (澳門殷皇子大馬路60號中央商業中心地下AO座及其地庫和閣樓);

* *The English name is a translation of its Chinese name and is included in this circular for identification purposes only.*

DEFINITIONS

“Provisional SP Agreement”	the provisional agreement for sale and purchase dated 3 March 2016 entered into between the Vendor and the Purchaser in relation to the sale and purchase of the Property;
“Purchaser”	Deep Thought Investments Limited, an independent third party, the purchaser of the Property;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Shares”	shares of HK\$0.10 each in the capital of the Company;
“Shareholders”	the holders of the Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Vendor”	Sun View Properties Limited, a wholly-owned subsidiary of the Company; and
“%”	per cent.

LETTER FROM THE BOARD



BOSSINI INTERNATIONAL HOLDINGS LIMITED

堡獅龍國際集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 592)

Executive Directors:

Ms. TSIN Man Kuen Bess (*Chairman*)

Mr. MAK Tak Cheong Edmund (*Chief Executive Officer*)

Mr. CHAN Cheuk Him Paul

Registered Office:

Canon's Court

22 Victoria Street

Hamilton HM12

Bermuda

Independent Non-executive Directors:

Dr. LEE Man Chun Raymond

Ms. LEUNG Mei Han

Prof. SIN Yat Ming

Principal Place of Business in Hong Kong:

2/F, PopOffice

9 Tong Yin Street

Tseung Kwan O

Kowloon

Hong Kong

13 April 2016

To the Shareholders

Dear Sir/Madam,

MAJOR TRANSACTION DISPOSAL OF PROPERTY

INTRODUCTION

The Board announced that on 3 March 2016, the Vendor, a wholly-owned subsidiary of the Company, entered into the Provisional SP Agreement for sale and purchase with Deep Thought Investments Limited, pursuant to which the Vendor has agreed to sell and the Purchaser has agreed to acquire the Property for a Consideration of HK\$350,000,000. The Formal Agreement was entered on 14 March 2016.

The purpose of this circular is to provide you with the information relating to, among other things, further details regarding the Disposal together with other information as required under the Listing Rules.

* For identification purposes only

LETTER FROM THE BOARD

THE DISPOSAL

The Vendor, a wholly-owned subsidiary of the Company, entered into the Provisional SP Agreement for the sale of the Property.

The Provisional SP Agreement

Date: 3 March 2016

Parties: (a) **the Vendor:** Sun View Properties Limited, a wholly-owned subsidiary of the Company

(b) **the Purchaser:** Deep Thought Investments Limited, an investment holding company

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, the Purchaser and its ultimate beneficial owner(s) are independent of the Company and its connected persons.

Subject matter: The Vendor will sell, and the Purchaser will acquire, the Property.

Consideration: The sale price of the Property is HK\$350,000,000.

The Property

The Property is the ground floor together with the basement and annex of Block AO of Central Commercial Centre, No. 60 Avenida Henrique, Macau* (澳門殷皇子大馬路60號中央商業中心地下AO座及其地庫和閣樓). The Property has a total net floor area of approximately 279.03 square meter.

For the two financial years immediately preceding the Disposal and as at the Latest Practicable Date, the Property was being used as one of the Group's shops in Macau.

The Consideration

The Consideration was determined after arm's length negotiation between the Vendor and the Purchaser taking into consideration of the annual rental yield for leasing of the Property with reference to the market information of recent rental yield for leasing similar properties in both Macau and Hong Kong, in the range of approximately 2% to 4% according to market information. Reference made to annual rental yield, which provides an overview of rental income that the Property can generate on a sustainable and annual basis, is in line with commonly adopted practice when there is lack of recent sale and purchase of similar properties surrounding the subject property. The Vendor and the Purchaser determined the Consideration with reference to the annual rental yield of leasing of the Property in both Macau and Hong Kong as the property market in Macau has slowed down since 2015 with all the property sectors experiencing negative growth due to the overall economic environment downturn, and there had been a lack of recent sale and purchase of similar properties surrounding the subject Property. Accordingly, the Vendor also took into account the annual rental yield for leasing properties similar to

LETTER FROM THE BOARD

the subject Property, for example, annual rental yield of commercial properties used as retail shops and located in prime shopping areas in Hong Kong.

The Consideration represents a premium of approximately 25% as compared to the market value of the Property of HK\$280,000,000 as at 29 February 2016 as appraised by RHL Appraisal Limited, an independent valuer.

The Consideration will be payable as follows:

- (a) an initial deposit of HK\$17,500,000 has been paid by the Purchaser to the Vendor upon the signing of the Provisional SP Agreement;
- (b) a further deposit of HK\$17,500,000 has been paid by the Purchaser to the Vendor upon the execution of the Formal Agreement (i.e. 14 March 2016); and
- (c) the balance payment of the Consideration in the sum of HK\$315,000,000 will be payable by the Purchaser to the Vendor upon completion of the Disposal, which is scheduled to take place on or before 23 May 2016.

Completion

Pursuant to the Formal Agreement, completion of the Disposal shall take place on or before 23 May 2016.

LEASE

Upon completion of the Disposal, the Group and the Purchaser will enter into a tenancy agreement, whereby the Group will lease back the Property for the Group's use for a term of three years commencing on the date of completion of the Disposal. The monthly rent payable by the Group will be HK\$1,000,000 for each of the three years during the term of the tenancy agreement. At the time when the Group enter into the tenancy agreement with the Purchaser, a deposit of HK\$2,000,000 will be payable by the Group to the Purchaser. Upon expiry of the three-year term, the Group has an option to renew the tenancy agreement for another fixed term of three years at a monthly rent of HK\$1,100,000 for the first year, HK\$1,150,000 for the second year and HK\$1,200,000 for the third year.

REASON FOR THE DISPOSAL

The Property has been used by the Group as one of its shops in Macau. As the Disposal gives a good opportunity for the Group to realise its investment with considerable gain, the Directors, including the independent non-executive Directors, are of the view that the Disposal is fair and reasonable and in the interest of the Group and the Shareholders as a whole. Further, as the Group will lease back the Property from the Purchaser for a term of three years for continue use as one of its shops in Macau. Accordingly, the Disposal will only have minimal impact to the Group's operations.

LETTER FROM THE BOARD

FINANCIAL EFFECTS OF THE DISPOSAL AND PROPOSED USE OF PROCEEDS

The net book value of the Property as at the date of the latest audited financial statements, that is, 30 June 2015, amounted to HK\$11,405,000. Upon completion of the Disposal, non-current assets of the Group will be reduced by HK\$11,405,000 and current assets of the Group will be increased by HK\$346,000,000, but there will be no effect on current and non-current liabilities. Based on the Consideration of HK\$350,000,000, the total gain expected to accrue to the Group from the Disposal is approximately HK\$335 million, with a gain of approximately HK\$70 million (being the difference of the Consideration to the market value of the Property of HK\$280,000,000 as at 29 February 2016 as appraised by RHL Appraisal Limited, an independent valuer) deferred and amortised throughout the three-year lease term under the leaseback arrangement pursuant to the relevant accounting principles. The estimated gain represents the difference between the Consideration and the Group's carrying value of the Property as at 30 June 2015 and the relevant fees expected to be payable by the Group. During the financial year ending 30 June 2016, a gain of approximately HK\$267 million for the Disposal and leaseback arrangement is expected to be recognised in profit or loss of the Group. The consolidated net asset value of the Group is also expected to increase accordingly.

Based on the Consideration of HK\$350,000,000 and the associated estimated direct cost of the Disposal of approximately HK\$4,000,000, the Group is expected to receive a net proceed of approximately HK\$346,000,000 from the Disposal. The Group currently intends to use the proceeds as general working capital of the Group, which may be applied to invest in the Group's business along with the Group's business strategy on improving its productivity.

INFORMATION ON THE GROUP AND THE VENDOR

The Group is principally engaged in the retailing and distribution of garments bearing the Group's designated brand names including "bossini".

The Vendor is a wholly-owned subsidiary of the Company and is principally engaged in property holding and letting.

INFORMATION ON THE PURCHASER

The Purchaser is a company incorporated in the British Virgin Islands. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Purchaser is an investment holding company.

GENERAL

As the applicable percentage ratios calculated by reference to Rule 14.07 of the Listing Rules in respect of the Disposal are more than 25% but less than 75%, the Disposal constitutes a major transaction for the Company and is therefore subject to the announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules. To the best knowledge, information and belief of the Directors, having made all reasonable enquiry, no Shareholder has a material interest in the Disposal and is required to abstain from voting for the resolution to approve the Disposal, should the Disposal be put forward to the Shareholders to approve at a general meeting of the Company. Mr. Law Ka Sing, the controlling

LETTER FROM THE BOARD

shareholder of the Company, who is interested in 1,093,091,098 Shares, representing approximately 66.81% of the issued share capital of the Company as at the Latest Practicable Date, has approved the Disposal by a written shareholder's approval pursuant to Rule 14.44 of the Listing Rules in lieu of a resolution to be passed at a general meeting of the Company.

RECOMMENDATION

The Directors, including the independent non-executive Directors, are of the view that the terms of the Disposal is fair and reasonable and in the interest of the Group and the Shareholders as a whole. Accordingly, should a resolution be put at a general meeting of the Company for the Shareholders to consider, the Directors would recommend the Shareholders to vote in favour of such resolution.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

Yours faithfully,
By Order of the Board
Bossini International Holdings Limited
TSIN Man Kuen Bess
Chairman

I. FINANCIAL INFORMATION OF THE GROUP

The audited consolidated financial statements, together with the accompanying notes to the financial statements, of the Group for the three years ended 30 June 2013, 2014 and 2015 are disclosed on pages 44 to 175, pages 43 to 171 and pages 39 to 171 of the annual reports of the Company for the three years ended 30 June 2013, 2014 and 2015, and the unaudited consolidated financial statements of the Group for the six months ended 31 December 2015 are disclosed on pages 35 to 63 of the interim report of the Company for the six months ended 31 December 2015 respectively. The management discussion and analysis of the Company for the three years ended 30 June 2013, 2014 and 2015, and for the six months ended 31 December 2015 are disclosed in the published annual reports and interim report of the Company for the relevant years and relevant period.

The said annual reports and interim report of the Company are available on the Company's website at www.bossini.com and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk.

II. STATEMENT OF INDEBTEDNESS

As at the close of business on 29 February 2016, being the latest practicable date for this statement of indebtedness prior to the printing of this circular, the Company had provided corporate guarantees in favour of banks in an aggregate amount of approximately HK\$537 million with respect to banking facilities granted to certain subsidiaries of the Group. These facilities were utilised to the extent of approximately HK\$82 million. Save for the above corporate guarantees provided by the Company, no other security was provided in relation to such banking facilities granted to certain subsidiaries of the Group. As at the close of business on 29 February 2016, being the latest practicable date for this statement of indebtedness prior to printing of this circular, the Group also had bank guarantees given in lieu of utility and property rental deposits amounted approximately HK\$6 million.

Save as otherwise disclosed herein, and apart from intra-group liabilities as at the close of business on 29 February 2016, the Group did not have any material:

- (i) debt securities issued and outstanding, authorised or otherwise created but unissued;
- (ii) term loans;
- (iii) borrowings or indebtedness in the nature of borrowing of the Group including bank overdrafts and liabilities under acceptances (other than normal trade bills) or acceptance credits or hire purchase commitments;
- (iv) mortgages or charges; or
- (v) contingent liabilities or guarantees.

III. WORKING CAPITAL

The effect of the Disposal on the working capital of the Group is the availability of increased fund for the Group's operations and the increase in the level of the Group's working capital sufficiency.

After taking into account the financial resources available to the Group, including the internally generated funds and the available banking facilities, the Directors are of the opinion that the Group will have sufficient working capital for its present requirements for at least the next 12 months from the date of this circular, in the absence of unforeseeable circumstances.

IV. MATERIAL ADVERSE CHANGE

Save for the decrease in profit of the Group, mainly caused by the significant decrease in revenue and gross profit attributable to (i) less visitors and strong Hong Kong dollar which led to less consumption from them in Hong Kong and Macau, and (ii) weak local consumer sentiment, unseasonal warm winter weather and intensified competition in several core markets where the Group operates, for the six months ended 31 December 2015 as compared with the corresponding period for the six months ended 31 December 2014 as disclosed in the Company's announcement dated 14 January 2016 and the Company's interim report for the six months ended 31 December 2015, the Directors are not aware of any material adverse change to the financial or trading position of the Group since 30 June 2015, being the date to which the latest published audited financial statements of the Company were made up.

V. FUTURE PROSPECTS

Upon the completion of the Disposal, the Group will continue to be engaged in the retailing and distribution of garments bearing the Group's designated brand names including "bossini".

Given the environment of declining commodity prices, reducing capital flows to emerging markets, pressure on currencies and increasing market volatility, the prospect of downside risks has arisen. It is expected that the retail environment in Hong Kong will remain difficult. Furthermore, with the strengthening of Hong Kong dollar and the weakening of Asian currencies, including the Renminbi, both tourists and local people were prompted to visit other locations around the region which in turn have resulted in the plunge in consumer spending in Hong Kong. Nevertheless, should the currencies continue with these directions, the Group would be able to benefit from lower production costs across the whole Group, which could partially negate the potential detriment as aforementioned.

Due to the anticipated continuation of slowing economies globally, the Company also expects the demand for value-for-money apparel to grow. To cope with this, the Group intends to offer more items which are easy for mix-and-matching, as well as products with better functions under a more competitive pricing strategy over the coming years. The Group will continue to implement further cost control measure in the future, and focus on expanding its operations further afield of Hong Kong and Macau to achieve a more balanced portfolio. The Group will also continue to devote energy to expanding its apparel lines for kids, and will launch "bossini" eyewear in mainland China through franchise arrangements, which would help diversify the Group's revenue streams and enhance brand penetration, leveraging on a vast network of third-party optical stores. Operationally, the Group will continue to create appealing, competitive and quality everyday wear that drives sustainable growth, profitability and customer satisfaction. With a firm focus on the Group's "be happy" core brand value, the Group will continue to strengthen its competitive edge and endeavour to enhance the value that the Group will offer to its Shareholders.

The following is the text of a letter and valuation certificate, prepared for the purpose of incorporation in this circular received from RHL Appraisal Limited, an independent valuer, in connection with its valuation as at 29 February 2016 of the Property to be disposed by the Group.



永利行評估顧問有限公司
RHL Appraisal Limited
Corporate Valuation & Advisory

T +852 2730 6212
F +852 2736 9284

Room 1010, 10/F, Star House,
Tsimshatsui, Hong Kong

13 April 2016

The Board of Directors
Bossini International Holdings Limited
2/F, PopOffice
9 Tong Yin Street
Tseung Kwan O
Kowloon, Hong Kong

Dear Sirs/Madam,

INSTRUCTIONS

We refer to the instruction from Bossini International Holdings Limited (the “Company”) for us to value the property interest (the “Property”) held by Sun View Properties Limited located in Macau. We confirm that we have carried out property inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the Property as at 29 February 2016 (the “Valuation Date”).

This letter which forms part of our valuation report explains the basis and methodologies of valuation, clarifying assumptions, valuation considerations, title investigations and limiting conditions of this valuation.

BASIS OF VALUATION

The valuation is our opinion of the market value (“Market Value”) which we would define as intended to mean the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably prudently and without compulsion.

Market Value is understood as the value of an asset or liability estimated without regard to costs of sale or purchase and without offset for any associated taxes or potential taxes.

The market value is the best price reasonably obtainable in the market by the seller and the most advantageous price reasonably obtainable in the market by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, joint ventures, management agreements, special considerations or concessions granted by anyone associated with the sale, or any element of special value.

VALUATION METHODOLOGY

We have valued the property interest by using the Direct Comparison Approach, which is based on the principle of substitution, where comparison is made based on prices realized on actual sales and/or asking prices of comparable properties. Comparable properties of similar size, scale, nature, character and location are analysed and carefully weighed against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of market value.

VALUATION CONSIDERATIONS

In valuing the property interest, we have complied with all the requirements contained in Chapter 5 to the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited and the HKIS Valuation Standards 2012 Edition.

VALUATION ASSUMPTION

In our valuation, unless otherwise stated, we have assumed that:

- i. all necessary statutory approvals for the Property or the subject building of which the Property forms part of their use have been obtained;
- ii. transferable land use rights in respect of the Property for specific terms at nominal annual land use fees have been granted and that any premium payable has already been fully paid;
- iii. the owner of the Property has enforceable titles to the Property and have free and uninterrupted rights to use, occupy or assign the Property for the whole of the respective unexpired terms as granted;
- iv. no deleterious or hazardous materials or techniques have been used in the construction of the Property;
- v. the Property is not subject to any unusual or especially onerous restrictions, encumbrances or outgoings and that good title can be shown;

- vi. the Property is connected to main services and sewers which are available on normal terms; and
- vii. the cost or repairs and maintenance to the building of which the Property is shared among all owners of the building, and that there are no onerous liabilities outstanding.

TITLE INVESTIGATION

We have carried out searches at the Land Registry for the Property in Macau. However, we have not verified ownership of the Property or to verify the existence of any lease amendments which do not appear on the copies handed to us. All documents have been used for reference only.

LIMITING CONDITIONS

We have conducted on-site inspections to the Property located in Macau in February 2016 by our staff Ms. Selina Wu (MSc in Real Estate). During the course of our inspections, we did not note any serious defects. However, no structural survey has been made and we are therefore unable to report whether the property is free from rot infestation or any other defects. No tests were carried out on any of the services.

We have not carried out detailed on-site measurements to verify the correctness of the areas in respect of the Property but have assumed that the areas shown on the documents and/or official plans are correct. All documents have been used as reference only and all dimensions, measurements and areas are approximations.

We have relied to a considerable extent on information provided by the Company and have accepted advice given to us on such matters, in particular, but not limited to statutory notices, easements, tenure, floor areas, particulars of occupancy and all other relevant matters in the identification of the Property.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Company. We have also been advised by the Company that no material fact has been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view, and we have no reason to suspect that any material information has been withheld.

No allowance has been made in our report for any charges, mortgages or amounts owing on the property interest valued nor for any expenses or taxation which may be incurred in effecting a sale.

REMARKS

We have valued the property interest in Hong Kong Dollars.

We enclose herewith the valuation certificate.

Yours faithfully,
For and on behalf of
RHL Appraisal Limited

Serena S. W. Lau
FHKIS, AAPI, MRICS, RPS (GP), MBA (HKU)
Managing Director

Jessie X. Chen
MRICS, MSc (Real Estate), BEcon
Associate Director

Ms. Serena S. W. Lau is a Registered Professional Surveyor (GP) with over 20 years' experience in valuation of properties in HKSAR, Macau SAR, mainland China and the Asia Pacific Region. Ms. Lau is a Professional Member of The Royal Institution of Chartered Surveyors, an Associate of Australian Property Institute, a Fellow of The Hong Kong Institute of Surveyors as well as a registered real estate appraiser in the PRC.

Ms. Jessie X. Chen is a Registered Professional Surveyor (GP) with over 5 years' experience in valuation of properties in HKSAR, Macau SAR, mainland China and the Asia Pacific Region. Ms. Chen is a Professional Member of The Royal Institution of Chartered Surveyors.

VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market Value
			as at 29 February 2016
The ground floor together with the basement and annex of Block AO of Central Commercial Centre, No. 60 Avenida Henrique, Macau	The property comprises the basement, ground floor and mezzanine floor of a 21-storey (with basement) commercial building completed in 1988. The property has a total saleable area of approximately 279.03 sq.m. (3,003 sq.ft.).	As at the valuation date, the property is owner-occupied as a retail shop.	HK\$280,000,000 (Hong Kong Dollars Two Hundred And Eighty Million Only)
(澳門殷皇子大馬路60號中央商業中心地下AO座及其地庫和閣樓)	The property is held under government lease (Concessão Por Arrendamento) for a term of 10 years commencing on 1 June 2015. We have assumed in our valuation the lease term is extended until 19 December 2049 without additional land grant premium.		100% property interest attributed to the Group

Notes:

1. Pursuant to the title search record issued by Conservatoria do Registo Predial, the registered owner of the Property is Sun View Properties Limited ("Sun View"), a wholly-owned subsidiary of the Company, vide memorial no. 5314F dated 3 June 1998.
2. The property is situated at the northeastern side of Avenida Do Infante D. Henrique (殷皇子大馬路) near its junction with Rua do Dr. Pedro Jose Lobo (羅保博士街) in Macau Peninsula. The property falls within an established area which is concentrated with medium-rise and high-rise residential, commercial and composite developments of various ages. Retail shops such as fashion boutiques, restaurants and groceries etc. are available along Avenida Do Infante D. Henrique (殷皇子大馬路) with a high pedestrian flow.
3. In the course of our valuation, we have valued the property based on the following assumptions:
 - i. the property is legally held by Sun View;
 - ii. Sun View is entitled to transfer, lease, mortgage or dispose of the property freely in the market; and
 - iii. the property is free from any mortgage or third parties' encumbrance.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in the compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this document is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this document misleading.

2. DISCLOSURE OF INTERESTS

(a) Directors' interests in Shares

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests which the Directors and chief executive were taken or deemed to have under such provisions of the SFO), or were required, pursuant to section 352 of the SFO, to be recorded in the register required to be kept by the Company, or were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") of the Listing Rules to be notified to the Company and the Stock Exchange were as follows:

(i) Long positions in the Shares and underlying shares of the Company

Name of Director	Capacity and nature of interest	Number of Shares/underlying shares held	Interests as to % of the issued share capital of the Company as at the Latest Practicable Date
Ms. TSIN Man Kuen Bess	Family interest <i>(Note 1)</i>	1,093,091,098	66.81%

Note:

- (1) Such interests arose by attribution through her spouse, Mr. LAW Ka Sing, a substantial shareholder of the Company.

- (ii) *Directors' interests in underlying shares of the Company attached to the share options granted by the Company*

Name of Directors	Number of share options directly beneficially owned as at the Latest Practicable Date
Ms. TSIN Man Kuen Bess	6,500,000
Mr. MAK Tak Cheong Edmund	19,678,000
Mr. CHAN Cheuk Him Paul	6,710,000
	<hr/>
Total	32,888,000
	<hr/> <hr/>

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and the chief executive of the Company, had an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests which the Directors and chief executive were taken or deemed to have under such provisions of the SFO), or were required, pursuant to section 352 of the SFO, to be recorded in the register required to be kept by the Company, or were required, pursuant to the Model Code of the Listing Rules to be notified to the Company and the Stock Exchange.

(b) Directors' service contracts

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group or any associated company of the Company (excluding contracts expiring or determinable within one year without payment of compensation other than statutory compensation).

(c) Interests in assets

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have been, since the date to which the latest published audited accounts of the Group were made up, acquired or disposed of by, or leased to the Company or any of its subsidiaries, or are proposed to be acquired or disposed of by, or leased to, the Company or any of its subsidiaries.

(d) Interests in contract or arrangement

As at the Latest Practicable Date, none of the Directors is materially interested in any contract or arrangement entered into by the Company or any of its subsidiaries which contract or arrangement is subsisting at the date of this circular and which is significant in relation to the business of the Group.

(e) Directors' interests in competing businesses

As at the Latest Practicable Date, none of the Directors or their respective associates was interested in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group as required to be disclosed pursuant to the Listing Rules.

3. SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, according to the register kept by the Company under section 336 of the SFO, the persons other than a Director or chief executive of the Company who had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO were as follows:

Long positions in the Shares of the Company

Name of Shareholder	Capacity and nature of interest	Number of Shares held	Number of share options held	Interests as to % of the issued share capital of the Company as at the Latest Practicable Date
Mr. LAW Ka Sing	Directly beneficially owned	1,093,091,098	–	66.81%
	Family interest	–	6,500,000	0.40%
	Total	<u>1,093,091,098</u>	<u>6,500,000</u>	<u>67.21%</u>

Save as disclosed above, the Directors and the chief executive of the Company were not aware that there was any person (other than a Director or chief executive of the Company) who, as at the Latest Practicable Date, had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of any other member of the Group or had any share options in respect of such capital.

As at the Latest Practicable Date, none of the Directors is a director or employee of a company which has an interest in the shares and underlying shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

4. MATERIAL CONTRACTS

As at the Latest Practicable Date, the following contracts, not being contracts entered into in the ordinary course of business, were entered into by members of the Group within the two years immediately preceding the Latest Practicable Date which are, or may be material:

- (a) the Provisional SP Agreement; and
- (b) the Formal Agreement.

5. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries is engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened against the Company or any of its subsidiaries.

6. EXPERT'S QUALIFICATION AND CONSENT

The following is the qualification of the expert who has given its opinions or advices which are contained in this circular:

Name	Qualification
RHL Appraisal Limited ("RHL")	an independent professional property valuer

As at the Latest Practicable Date, RHL did not have any direct or indirect interest in any asset which had been acquired, disposed of by, or leased to any member of the Group, or was proposed to be acquired, or disposed of by, or leased to any member of the Group, since 30 June 2015, the date to which the latest audited financial statements of the Group was made up; and was not beneficially interested in the share capital of any member of the Group and did not have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

RHL has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which it appears.

7. MISCELLANEOUS

- (a) The registered office of the Company is Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda and the principal place of business of the Company in Hong Kong is at 2/F, PopOffice, 9 Tong Yin Street, Tseung Kwan O, Kowloon, Hong Kong.
- (b) The Company's Hong Kong branch share registrar and transfer office is Computershare Hong Kong Investor Services Limited, Shops 1712-6, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (c) The company secretary of the Company is Ms. WONG Suk May, an associate member of each of The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries.
- (d) The English text of this circular shall prevail over the Chinese text.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the Company's principal place of business in Hong Kong during normal business hours on any weekdays during the period of 14 days from the date of this circular:

- (a) the memorandum and bye-laws of the Company;
- (b) the written consent referred to in the paragraph headed "Expert's qualification and consent" in this Appendix;
- (c) the annual reports of the Company for the two years ended 30 June 2014 and 2015;
- (d) each of the material contracts set out under the paragraph headed "Material Contracts" in this Appendix;
- (e) the property valuation report issued by RHL in relation to the valuation of the Property as at 29 February 2016, as set out in Appendix II to this circular; and
- (f) this circular.